

## Message Text

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12

ACTION EA-07

INFO OCT-01 ISO-00 EB-05 DRC-01 RSC-01 AID-07 /022 W

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R 190040Z SEP 74

FM AMEMBASSY SEOUL

TO USDOC WASHDC

INFO SECSTATE WASHDC 6005

AMEMBASSY SINGAPORE

AMCONGEN HONG KONG

UNCLAS SEOUL 6213

E.O. 11652: N/A

TAGS: BMEP, ETRD, KS

SUBJECT: MAJOR PROJECT: KOREAN PORT DEVELOPMENT,  
BUSAN & MUKHO

REF: A. STATE A-6921, 4 SEPT 1974

B. SEOUL 2137

C. SEOUL A-16, JANUARY 28, 1974

THIS TELEGRAM WILL UPDATE REPORTING ON ROKG  
PORT DEVELOPMENT PROJECTS (BUSAN & MUKHO)  
FINANCED UNDER AN \$80 MILLION IBRD LOAN. OTHER  
PORT DEVELOPMENT PROJECTS WILL BE REPORTED  
SEPARATELY ACCORDING TO FINANCING.

1. PROJECT DESCRIPTION: IBRD FINANCED PORT  
DEVELOPMENT PROJECT CONSISTS OF THREE PARTS:

A.) BUSAN: CONSTRUCTION AND EQUIPING OF ONE PIER FOR  
BOTH CONTAINER AND GRAIN CARGO USE, CONSTRUCTION AND  
EQUIPMENT FOR ONE BULK-HANDLING PIER FOR MINERALS, SCRAP  
AND STEEL CARGOES, DREDGING AND REHABILITATION OF  
EXISTING TWO PIERS.

B) MUKHO: CONSTRUCTION AND EQUIPPING OF TWO NEW COAL  
PIERS AND REHABILITATION OF CONVEYER SYSTEM, DREDGING,  
IMPROVEMENT OF EXISTING BREAK WATER AND REHABILITATION  
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OF EXISTING BERTHS.

C) ROKG HAS USED \$900,000 FROM IBRD LOAN TO FINANCE A PHASE II DEVELOPMENT STUDY OF KOREAN PORT FACILITIES. DETAILQ OF THE PHASE II STUDY AND ITS IMPLICATIONS FOR U.S. SALES WILL BE REPORTED IN A SEPARATE CABLE.

W. IMPLEMENTING OFFICE: (A) KIM, JUNG HACK, DIRECTOR, BUSAN PORT AUTHORITY MINISTRY OF TRANSPORTATION, CPO BOX 5490, SEOUL 100, KOREA

(B) OTTIS FOWLER, P.E.  
EXECUTIVE VICE PRESIDENT  
KOREA PORT PROJECT MANAGER  
LYON ASSOCIATES, INC.  
KPO BOX 559, SEOUL 110, KOREA

3. COST & FINANCING: TOTAL PROJECT COSTS ARE ESTIMATED AT \$131 MILLION. FOREIGN EXCHANGE COSTS OF \$87.5 MILLION WILL BE FINANCED WITH \$80 MILLION IBRD LOAN AND \$7.5 MILLION BY ROKG.

4. EXPECTED BID DATES: NO U.S. FIRMS HAD BID ON CONSTRUCTION WORK (REF B) BY SEPTEMBER 1, 1974 DEADLINE. ESTIMATED DATE FOR ROKG ISSUE OF TENDERS FOR EQUIPMENT PURCHASE IS EARLY 1975.

5. POTENTIAL U.S. SALES: EQUIPMENT TO BE PURCHASED: FOR BUSAN, FOUR 40-TON CONTAINER HANDLING CRANES, SEVEN 30-TON TRANSTRAINERS, 16 TRACTORS AND TRAILORS, THREE 20-TON FORK LIFT TRUCKS, TWO 300 TON/HOUR GRAB CRANES FOR BULK COAL, ONE 600 TON/HOUR STACKER RECLAIMER, TWO 400 TON/HOUR GRAIN UNLOADERS AND SILO EQUIPMENT, TWO 12-TON 25 METER RWDIUS CRANES TO UNLOAD BULK SCRAP STEEL, ROLL-ON/ROLL-OFF RAMP WITH HEIGHT ADJUSTING MECHANISM, BULK ORE LOADING EQUIPMENT CONVEYORS.  
FOR MUKHO, REPLACE EXISTING COAL G LIMESTONE CONVEYOR SYSTEMS WITH ONE OF 600 TON/HOUR CAPACITY AND ONE OF 300 TON/HOUR CAPACITY, TWO 600 TON/HOUR UNCLASSIFIED

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COAL RECLAIMERS, THREE 300 TON/HOUR COAL LOADERS.

6. POST COMMENTS: ROKG IS NOW REFINING EQUIPMENT SPECIFICATIONS SO THAT TENDERS MAY BE ISSUED IN EARLY 1975. AS DESIGN AND CONSTRUCTION SUPERVISION CONSULTING FIRM, LYONS ASSOCIATES IS SEEKING U.S. MANUFACTURERS' BROCHURES AND TECHNICAL INFORMATION FOR USE AS REFERENCES IN

PREPARING EQUIPMENT SPECIFICATIONS. INTERESTED  
U.S. FIRMS SHOULD CORRESPOND DIRECTLY WITH MR. ARIE KOENE,  
OPERATION & EQUIPMENT SPECIALIST  
LYON ASSOCIATES, INC.  
KPO BOX 559  
SEOUL, 110, KOREA  
SNEIDER

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** CONSTRUCTION, PORT FACILITIES, BANK LOANS, PROPOSALS (BID)  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 19 SEP 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
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**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
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**Review Authority:** martinjw  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 12 JUL 2002  
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**Review History:** RELEASED <12 JUL 2002 by maustmc>; APPROVED <31 JAN 2003 by martinjw>  
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**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** MAJOR PROJECT: KOREAN PORT DEVELOPMENT, BUSAN & MUKHO  
**TAGS:** BEXP, ETRD, KS, US, IBRD  
**To:** COM  
**Type:** TE  
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